UP IN A BALLOON.

When the currency of a country is being inflated or cheapened by the use of fiat paper or silver money, prices of food, clothing, furniture rent, etc., always go up faster than do prices of labor. Because of this reduced purchasing power of wages the laboring man is unable to obtain with cheap money as much as with full value money. This has been the experience of every cheap money experiment of every nation.

SMALL CHANGE.

The silverite Senators are just now behaving like the small boy who whines "If I can't have my own way, then I won't play." They know that a free coinage bill cannot possibly pass the House, so they sulk and refuse to allow a measure for the relief of the Treasury to become law. In thus checking needed legislation these Senators are injuring the best interests of their constituents and of the whole country. Fortunately the terms of many of them will soon expire.

A number of Western Populists, principally in Kansas, are trying to promote a scheme for a great railroad from Minnesota to the Gulf of Mexico. If these men really believed in the free silver doctrines which they preach they would try to do away with railroads altogether, instead of seeking to build new ones. They constantly denounce low prices as an evil to be cured by big doses of cheap money. Yet they advocate a better method of transporting farm products which would most certainly reduce freight rates, and therefore cheapen wheat, corn, meat, etc., in the markets where they are sold. If cheapness is a bad thing, then the Populists should tear up the railroad tracks, burn the steamships and destroy all kinds of improved machinery. Goods would then become scarce and dear, and nobody would be subject to the danger of buying things too cheap.

The Atlanta Constitution has temporarily abandoned its attacks on the "Shylocks" and "Gold Kings" of Wall street in order to point out the danger to America of Japanese competition in manufactured goods. In a long editorial, based on the prices at which an imaginary agent of Japanese manufacturers was alleged to be ready to sell matches, bicycles and other articles, the Constitution urges the adoption of free coinage as the only possible remedy against a flood of cheap goods from Japan. If the United States will double prices by measuring its wealth in fifty-cent dollars, the wise Atlanta editor is sure that the Japanese will not be able to compete with us. Or in other words, the gold standard has forced prices down so low that the Japanese can now undersell our manufacturers. But if we change our standard of value so that our goods will be twice as dear, then the low priced Japanese products will not come in. A truly original and brilliant idea!

The worst enemy of the unselfish patriots who are willing to sacrifice themselves by filling all the public offices, and howling for "free silver or bust" between meal times, is not the wicked banker or the gold bug, but the hardened villain who compiles statistics. To slightly change the complaint of the Leadville saloon keeper, who pointed to the spire of a little church with the remark: "It's them blamed preachers that's ruinin' the business of this here community," it may as well be admitted that it is the blamed statisticians who are knocking the stuffing out of the silverite arguments. For instance, here comes Mr. Richard P. Rothwell, editor of the Engineering and Mining Journal, and gives figures which prove beyond all dispute that the world's production of gold during the past year was worth nearly $200,000,000. And this [illegible] the time when the free coinage [illegible]ists were telling the people that [illegible]s getting scarcer all the time, [illegible] there wasn't enough of it in [illegible] to serve as a standard of [illegible]e figuring [illegible]ellows and [illegible]ht to be su[illegible]ressed at

"Sound Currency Red Book."

The Sound Currency Committee, of 52 William street, New York, has just published what is undoubtedly the most valuable collection of pamphlets ever gotten together on the currency question. The "Sound Currency Red Book, 1895," contains twenty-two of the most important numbers of Sound Currency. The volume is carefully indexed and prefaced by an exhaustive table of contents. It contains all of the United States coinage and currency laws now in force and the more important of all ever passed; full statistics of our currency with numerous diagrams; history of our paper currency; history of Canadian and Scotch bank currencies; history of bimetallism in France and in the whole world; history of state bank currencies in various of our states; over 50 currency cartoons, and many other valuable treatises, including some of the best discussions on "Coin's Financial School." In all there are 500 pages. The price of this book is, paper, $1.00; cloth, $1.25; half morocco, $1.75.

Why Labor Gets Left.

The prices of what wage earners have to buy respond far more promptly to changes in the quality of money than do wages—the prices at which labor is sold. Hence, whenever money is getting better, though nominal wages may tend to decrease, wage earners are constantly getting more goods in exchange for the money they actually get for their labor; and whenever money is getting poorer, through nominal wages may tend to increase, wage earners are constantly getting less of the necessaries and comforts of life in return for the wages they receive. Appreciation of the dollar in which wages are paid, and consequently lower prices, is, therefore, constantly and certainly to the advantage of the wage earner. Depreciation of the dollar, and consequently higher prices, is always and certainly to his damage. —Hon. John DeWitt Warner.

Time Enough Then.

When the silver miner and bullion owner shall have established by legislation government grist mills, which shall convert every 50 cents' worth of farmer's wheat into a dollar of flour, it will be time enough for the farmer to advocate laws which shall convert every 50 cents' worth of silver bullion into a dollar of coin.—J. Sterling Morton.

In view of the unfounded delusions in which great and wise men have at some time believed, it is not surprising that the preachers of the gospel of more money, higher prices and currency inflation, should at first have been eagerly welcomed by the farmers, and in some States by other classes as well. Did not the farmer sell his products for money, and was it not natural that he should suppose that if the stock of money was increased he would receive more of it? Could not money be exchanged for wealth, and was it not therefore evident that doubling the volume of money would double the total quantity of wealth? High authorities—United States Senators, Congressmen, etc.—believed, or professed to believe, that the simple remedy of adopting a cheaper measure of value would abolish poverty and make everybody prosperous. So for a time the farmers accepted the promise of free coinage as a means of deliverance from all their troubles. They are now finding out that they were the victims of a big bunco game, and in next November they will express their opinion of the men who deceived them[illegible]

BIMETALLISM.

IMPOSSIBLE IN ANY ONE NATION—ALL POLITICAL ECONOMISTS, BUT ONE, AGREE ON THIS POINT.

Professor Ross, of Stamford University, lectured in Portland, Oregon, some time ago, on the monetary problem. His declaration in favor of the possibility of national bimetallism gave great joy to the free silver people, who have since been quoting and referring to him as an "authority." This appeal to "authority" caused Mr. Charles R. Fay, of Portland, to investigate the works and writings of most of the prominent political economists of the world on this subject. He finds that Professor Ross is alone among economic professors in his belief that it is possible for one nation to establish bimetallism. Many others, however, think that international bimetallism is possible. We give below the result of Mr. Fay's research:

Professor C. F. Bastaple, professor of political economy in Trinity College, Dublin, is the author of the article "Money" in the Encyclopedia Britanica, and he strongly favors the scheme which he says (16 p. 736) Cernuschi and DeLaveleye brought forward, and which "The former called bimetallism; that is to say, the establishment of a universal, or at all events, a large international currency, based on the concurrent circulation of the two metals, gold and silver, at a fixed ratio."

Professor R. E. Thompson, professor of social science in the University of Pennsylvania, in his "Elements of Political Economy" (p. 17) holds the same position. He writes: "A general agreement on the part of Europe and America to restore the free coinage at the old ratio would retreive and maintain its (silver's) price."

President E. B. Andrews, of Brown University, in his "Institutes of Economics," pp. 125-127, treats the topic of bimetallism. He says: "The serious question is whether the two metals can be made a single standard of value. We pronounce this possible. Sufficient nations may unite upon a given value ratio to render both metals current in that nation at that ratio. This bimetallic scheme, never yet tried, differs in principle from a unigovernmental one. Hence, to show, as Laughlin, in his 'History of Bimetallism in the United States,' does, the ill-working of bimetallism in one land in no wise disproves the scientific bimetallist argument." President Andrews has been denominated by rabid free silverites as a "bye-and-bye metallist."

President Francis A. Walker, of the Boston Institute of Technology, agrees with Professors Bastaple, Thompson and Andrews in believing in the adoption of a double standard by international agreement. In his "Political Economy, Advanced Course," chapter 14 is given to the treatment of "bimetallism," and solely as an international question. In section 582, on "What the Bimetallist Proposes," he says: "Accepting the existence of a large group of countries in which gold naturally circulates as money, and another in which silver is so used, he proposes to create a league of states * * * which shall each for itself, but by simultaneous action, establish the free coinage of the two metals, making the money of one metal to be legal tender indifferently with the money of the other metal in the payment of debts, at a certain ratio, determined upon in advance by consenting states."

In his volume entitled "Money," Walker gives chapter 13 to a discussion of the "Battle of the Standards," in which he strongly favors international bimetallism, and in his "Money, trade, and industry," he explains in detail (pp. 164-195) the way in which international bimetallism would work. In summing up he says (pp. 181): "This is the modern bimetallic scheme advocated by Walowski and Germuschi in France, Malon and de Laveleye in Belgium, Mees and Vrolek in Holland, Scheider in Germany, Haupt in Austria, Seyd and the Liverpool writers in England, Horton and George Walker in the United States. It differs widely from the so-called 'double standard' which was pronounced impractible by Locke, Adam Smith and Ricardo. There is nothing to show that one of those writers, had he lived in these days, might not have advocated an international monetary union, just as not one of the writers whom I have named as advocates of bimetallism would propose the union of the two metals at a fixed ratio in the coinage of a single state by itself alone;" and he concludes that "for us to commence the free coinage of silver at 16 to 1, while the market is 18 to 1 (the ratio was that when he wrote), would be to hazard the success of resumption and make it certain that we should lose our gold. * * * In four years at the latest we should be reduced to a solid silver basis, having a par of exchange, indeed, with India and China, with which we trade little, but having no par of exchange with Europe, with which we trade much and increasingly." He exhorts bimetallists to "await the time t[illegible] act with effect and not forfeit our present remarkable commercial success and imperil resumption by measures which can do no lasting good to the cause of silver and may do harm to ourselves."

Professor W. G. Sumner, of Yale University, in his "Collected Essays in Political Science" writes a chapter in which he "exposes the fallacies of bimetallism," and Professor J. Laurence Laughlin formerly of Harvard University, now of Chicago University, in his "History of Bimetallism in the United States," exhibits the historical facts which indisputably prove that one nation cannot maintain a double standard.

Simon Newcomb, the eminent mathematician, in his "Principles of Political Economy" describes (pp. 153-155) what monometallism and bimetallism mean, and of the later he remarks: "Difficulties have been found in making a scheme involving all these features work satisfactorily."

Henry Dunning MacLeod, of Trinity College, Cambridge, England, in his recent volume on "Bimetallism" shows that India has tried the experiment unsuccessfully; that England endavored to maintain it for more than 400 years and failed; and that France made the same futile effort for more than 500 years.

W. Stanley Jevons, the eminent English writer, in his "Money and the Mechanism of Exchange," devotes a chapter to "The Battle of the Standards." In speaking of the discussion among European economists, he says (pp. 136-137): "The advantages of the double standard have been most ably advocated by M. Walowski, Courcelle-Seneuil, Seyd, Leon, Prince, Smith and others, while MM. Chevalier, de Parieu, Henricks, Frere, Orban, Levasseur, Feer-Herzog and Juglar have been some of the leading upholders of the gold standard."

His prognostication for the future (p. 149) is that "Asia and Russia seem likely to uphold silver against the rest of the world adopting gold;" and he adds: "In such a result there seems to be nothing to regret." In his last volume, "Investigations in Currency and Finance" (p. 316), in speaking of us: "In trying to establish a bimetallic money, the American nation would be setting themselves against irresistible natural tendencies so as to insure defeat."

Professor Tausigg, of Harvard University, in "The Silver Situation in the United States," argues calmly and intelligently against bimetallism, both national and international; and Horace White, one of the editors of the "Nation," warmly advocates a gold standard in "Lalors Ciceopedia of Political Science, Political Economy," etc. (vol. 2, pp. 883-884).

Professor Richard T. Ely, formerly of Johns Hopkins, is now head of School of Political Science, Economics and History, University of Wisconsin. In his "Introduction to Political Economy" (p. 193), and in his "Outlines of Economics" (p. 153), we read: "One country alone cannot introduce bimetallism because other countries might send it their silver and take away its gold, just as Germany evidently contemplated draining France of at least a large portion of her gold. Experience seems to demonstrate that national bimetallism is out of the question, and no scientific economist favors it."

We have presented above the opinions of such "authorities" as the library facilities at our disposal at present enable us to gather together; the list could be extended until it included all political economists of recognized standing, as we see by the quotation from Professor Ely.

As an "authority" Professor Ross stands alone; for the sake of the reputation of his university, let us hope he will join the ranks of his colleagues, who, on whatever else they may differ, are agreed that unigovernmental bimetallism is impossible.

THE REAL PROBLEM.

Not One of Revenue, but of Greenback Retirement.

Senator Burrows, of Michigan, has not been saying much on the currency question, but he does his own thinking, as is evident from the following interview with him on January 10:

"One of two things must be done—either the greenbacks must be retired or some means devised by which they will not or cannot be presented for payment. The act of 1890, which continued in operation for three years, injected into our circulation about $150,000,000 of silver represented by the Treasury notes, while at the same time the reserve was not in any degree augmented. This may have had a tendency to alarm the business public and create a raid on the Treasury for gold. One hundred millions of gold was regarded as a safe reserve for $346,000,000 in United States notes; but when we came to add $150,000,000 more in demand paper, payable in gold, without increasing the reserve a dollar, thereby placing in circulation about $500,000,000 of demand notes, with only $100,000,000 in money with which they could be redeemed, I am not clear that this was not largely accountable for the distressing position in which we find ourselves now. That an increase of revenue commensurate with the expenditures of the government would remedy this condition of things and restore public confidence in the ability of the government to maintain a half-billion of demand paper at par, is a proposition of which I have some doubt. Of course, an increase in the reserve might furnish a remedy, but this would mean the further purchase of gold by the issue of bonds, which at this time is hostile to the popular judgment; and unless the United States notes and the Treasury notes can be held in the Treasury after redemption and the expenses paid with other currency, I do not see how a recurrence of the raid on the Treasury can be avoided.

"It is a strange thing that the government of the United States is the only party obliged to pay its obligations on demand in gold; and to-day the United States have out five hundred millions of demand paper which it may be required to meet with gold at any moment. No such demand can be made on any banking institutions; they can pay in legal tender. It is still further significant that while the government of the United States must stand sponsor all the time for $500,000,000 in gold, it has not a single dollar of distinctively gold revenue."

A New Way to Swindle Old Soldiers.

The value of the pension secured by the wounded veterans, whose monthly payment from the government is in a great many cases their sole support, depends entirely upon its purchasing power. If that power be high, it will buy a much larger supply of the necessities of life than if calculated in cheap dollars. It requires no argument to prove that, if this country adopts the silver standard, prices as based on dollars containing 50 cents' worth of silver will be just twice as high as they are now. Values will be no higher, and the farmer or worker will get no more than he does now, but nominal prices will be doubled. As the number of dollars paid for pensions is fixed, it follows that if paid in silver dollars the pensioner would receive only one-half as much, measured in commodities, rent, etc., as he does under the gold standard.

These are facts which the silverites have never attempted to deny. Nor have they ever proposed to double the pensions which are paid to the old soldiers, their widows and orphans. Now, then, can they expect the country to adopt a financial system which would dishonestly rob the pensioners of one-half of their income?

Old Soldier—"We must move to cheap lodgings, wife. I get just the same pension but food and clothing cost twice as much."